



**STATE OF MONTANA  
DEPARTMENT OF CORRECTIONS  
POLICY DIRECTIVE**

Policy No. DOC 1.2.18	Subject: <b>FLEET VEHICLE OPERATIONS</b>
Chapter 1: ADMINISTRATION AND MANAGEMENT	Page 1 of 14 and attachments
Section 2: Fiscal Management	Effective Date: Dec 1, 1997
Signature:/s/ Mike Ferriter, Director	Revised: 03/01/02; 04/18/06; 07/18/06; 06/30/09; 12/23/10

## **I. POLICY**

The Department of Corrections owns and leases motor vehicles for the purpose of conducting Department business. The Department requires all employees/drivers to comply with administrative rules, statutes, and policies governing the use and management of motor vehicles.

## **II. APPLICABILITY**

All Department divisions, facilities, programs, and employees who operate a state or personal vehicle for Department business.

## **III. DEFINITIONS**

20 X 10 Initiative – The governor's request to state agencies to reduce energy consumption by 20% by the year 2010. This covers all vehicles purchased or leased since December 1, 2007 with the exception of light duty trucks and those vehicles specifically exempted under *2-17-416 MCA (SB449)*. By the end of 2010, the governor expects the average of all new covered vehicles to achieve 30 mpg or better, as measured by the CAFE rating system.

Administrator – The official, regardless of local title (division or facility administrator, bureau chief, warden, superintendent), ultimately responsible for the division, facility or program operation and management.

AgileAssets – A fleet management system used by the Department to track agency-owned motor vehicles and various information such as odometer readings, fuel usage, and repairs.

ComData – The current fuel card company used by the Department to fuel agency-owned vehicles.

Corporate Average Fuel Economy (CAFE) – A combination of city and highway fuel efficiency ratings established and maintained by the National Highway Traffic Safety Administration.

Delegation Agreement/Delegated Authority – The agreement entered into by the Department of Corrections and the Department of Administration, State Procurement Bureau, authorizing the Department to perform procurement activities in accordance with the delegation agreement, *Title 19, MCA; and Title 2, Chapter 5, ARM*.

Department – The Montana Department of Corrections.

Exempt Motor Vehicles – Those vehicles approved by the DOC Director as not required to meet minimum mileage requirements.

Fleet Management Unit (FMU) – A centralized fleet unit located within the Department’s Contract Management Bureau, responsible for management of the agency-owned and leased motor vehicles.

Low Mileage Vehicle – A vehicle used less than 10,000 miles per fiscal year.

Montana Operations Manual (MOM) – A written guide for state employees administered by the Montana Department of Administration that covers state-wide procedures.

Motor Vehicle Maintenance (MVM) – The vehicle maintenance facility located on MSP grounds that uses inmate labor to service most MSP and MCE vehicles.

Preventive Maintenance (PM) Schedule – Work performed on vehicles at regular intervals based upon manufacturers recommended standards and vehicle driving conditions.

Vehicle – A passenger motor vehicle owned or leased by the State that is designed for travel on maintained public roads and subject to motor vehicle registration, including passenger cars, vans, buses, and light duty trucks. It does not include motorized heavy equipment, trailers, snow machines, lawn mowers, all-terrain vehicles, or similar wheeled devices.

Worksite – The work location designated by the employee’s supervisor that includes a state vehicle as an alternative, i.e., “in effect” worksite, depending on position responsibilities and working conditions.

#### **IV. DEPARTMENT DIRECTIVES**

##### **A. Fleet Management Unit Responsibilities**

1. Identify vehicles and equipment that are assigned to each division/facility/program or responsibility center;
2. review vehicle records to identify low mileage vehicles, vehicles considered to be exempt, optimal fleet size, and most cost effective accountability methods;
3. maintain individual vehicle histories to include maintenance, repair, and operating costs per mile/hour;
4. develop routine and emergency repair maintenance schedules;
5. identify vehicle additions, replacements, or disposals;
6. ensure that each vehicle is equipped with [Report of Incident](#) forms on which to report any incident that impacts the vehicle appearance and operation;
7. annually request and review [Vehicle Condition Reports](#) to determine overall fleet condition and potential expenses;
8. collect monthly Department-owned vehicle mileage reports which include fuel use, maintenance, and repairs;
9. collect leased vehicle monthly odometer readings for submission to the Montana Department of Transportation State Motor Pool (State Motor Pool); and

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10. keep adequate records to verify compliance with the minimum mileage requirement and notify applicable users of non-compliance issues.

## **B. Authorized Vehicle Use**

1. Risk Management and Tort Defense Division (RMTD) must approve, in advance and in writing, any exceptions to authorized drivers, passengers, and/or vehicle uses as defined in this policy.
2. Authorized drivers of Department-owned or State Motor Pool leased vehicles include:
  - a. Department employees conducting business on behalf of the state;
  - b. authorized passengers relieving authorized drivers due to illness, fatigue, or other physical or mental incapacity;
  - c. aides for disabled employees subject to the prior written approval of the DOC Director; and
  - d. independent contractors or temporary employment agency employees contracting with the state when a state employee is not available and subject to the prior written approval of the DOC Director.
3. Authorized passengers of Department-owned or State Motor Pool leased vehicles include:
  - a. Department employees, independent contractors, guests, or clients while conducting business on behalf of the state;
  - b. aides to employees with a disability subject to the prior written approval of the DOC Director;
  - c. persons rendering or in need of assistance during a medical or other life-threatening emergency;
  - d. offenders in transport currently under the care or supervision of the Department; and
  - e. nursing infants if the parent is an authorized driver or passenger.
4. Daily vehicle operation includes:
  - a. parking a vehicle overnight at the home of a Department employee in order to begin travel the next day;
  - b. obtaining food, necessities, and lodging while in travel status;
  - c. responding to medical or other life-threatening emergencies;
  - d. conducting after-hours personal business, recreation or leisure within a 30-mile radius of the Department employee's lodging when required to stay overnight at a location other than the established work location.
5. Personal Vehicles:
  - a. Employees requiring a vehicle to travel for Department business must use Department-owned or State Motor Pool leased vehicle unless circumstances justify the use of a personal vehicle. Use of personal vehicles requires prior written

approval from a supervisor and completion of the [Request to Use Personal Vehicle & Waiver](#) form. The following criteria apply when requesting or approving personal vehicle use:

- 1) employees authorized to use and assigned a state vehicle for commuting to and from work will not be approved to use a personal vehicle to travel for Department business;
- 2) use of a personal vehicle will be considered based on overall vehicle availability and/or the employees' desire to conduct personal business while on travel status;
- 3) if a state owned or leased vehicle is not available, reimbursement for personal vehicle use will be at the highest current state rate. If another vehicle is available for use and/or the employee requests to conduct personal business while in travel status, reimbursement will be at the lowest current state rate. Reimbursement rates are subject to annual changes as authorized by [2-18-503, MCA](#); and
- 4) employees requesting to use a personal vehicle to travel for Department business on a regular basis must obtain annual written approval from their administrator and the DOC Director.

### **C. Prohibited Vehicle Use**

1. The following are examples of prohibited vehicle use:
  - a. transportation of family members or other unauthorized passengers, e.g., to and from school, daycare centers or other locations. Mothers who are breastfeeding their infants are an exception as provided in state policy [Vol. III, 3-01-1, MOM](#);
  - b. personal business use, e.g., shopping, medical appointments, lunch, and recreation when employee is not in travel status; and
  - c. attendance at wakes, funerals or bereavement services.

### **D. Use of State Vehicle for Commuting**

1. Employees who qualify to use a state vehicle to commute from their residences to the worksite must complete the [Request for Vehicle Assignment](#) form. Statute prohibits a Department employee from using a state vehicle to commute from the employee's residence to the worksite and provides that if the following circumstances exist, the prohibitions do not apply:
  - a. the employee is a Department psychiatrist assigned to the Montana State Prison;
  - b. when 24-hour use is specifically authorized by law for an elected or appointed official and vehicle use is part of a compensation package, e.g., the DOC Director's compensation is established by the governor within statutory limitations and may include use of a state vehicle; or
  - c. the vehicle used is, "in effect," the employee's worksite.

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2. Vehicle assignment to an employee on a 24-hour, seven-day-a-week basis for commuting to and from work are made at the discretion of the administrator and the DOC Director. An employee assigned a vehicle on this basis and employees sharing/benefiting from regular commuting, will be taxed on \$3.00 per day non-cash compensation for each day commuted, in accordance with *26 CFR ss 1.61-21(f)(3)*, and IRS Publication 15-B (2009), page 24, "Commuting Rule." All employees sharing/benefiting from regular commuting must complete a [State Vehicle Commuting](#) form and submit it to Central Office payroll to ensure compliance with federal taxation requirements.
  
3. Specific Department positions have been reviewed to determine whether staff member vehicle use meets the criteria necessary to establish it is, "in effect," the worksite. Identified positions include:
  - a. Adult Probation and Parole Officers - field-based;
  - b. Youth Parole Officers - field-based;
  - c. Investigators – sworn and certified; and
  - d. Transportation Officers – Youth Services Division.
  
4. To establish that a vehicle is, "in effect," an employee's worksite, at least one of the following criteria must apply to the employee as part of the job requirement and performance of duties:
  - a. use of a vehicle with specialized safety and emergency response equipment such as a police radio, bullet-resistant vest, weapons, first-aid kit, search kit, and clothing or security partition (cage);
  - b. use of a vehicle during alternative work-schedule hours (other than 8 a.m. to 5 p.m.) to conduct work functions in a variety of geographic locations such as offender home, worksite, or community gathering places, and is not required to report to a specific location for assignments or work shifts; or
  - c. use of a vehicle to meet with, interview, or detain offenders; secure evidence such as contraband seized in performing position duties; conduct offender searches; investigate Interstate placement, parole, or conditional release plans.
  
5. The DOC Director may authorize an exception to the general prohibition for an employee whose residence is less than 30 miles from his/her worksite, to use a state vehicle for commuting to and from work when a [Request for Vehicle Assignment](#) form is submitted to his/her administrator to establish eligibility. A copy of this form must be submitted to the FMU who will forward the copy, if signed, to the governor's office. Per [2-17-425, 2\(b\), MCA](#), emergency response records must be submitted to the FMU who will forward to the DOC Director for review every six months. The job duties for an employee seeking exception must meet all of the following criteria:

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- a. employee is required to be on-call for quick response to an emergency that threatens life or property i.e., the employee must respond to prevent an occurrence as well as assist following an occurrence;
- b. employee's on-call responsibility is identified in the employee job profile; and
- c. employees in the position have responded more than once to emergency calls in the past six months.

#### **E. Permanent Vehicle Assignments**

1. An employee may request a permanent vehicle assignment by completing and submitting the [Request for Vehicle Assignment](#) to his or her supervisor.
2. The administrator and the DOC Director must approve permanent vehicle assignments which are permitted if consistent with the Department's mission, division or facility operational needs, and other Department and state policies. Per [2-17-425, MCA](#), copies of Request for Vehicle Assignment approvals must be submitted to the FMU who will forward the signed copy to the governor's office.
3. Employees approved for permanent vehicle assignments must submit a [State Vehicle Commuting](#) form to Fiscal Bureau payroll to comply with tax provisions governing commutes.

#### **F. Vehicle Use Agreements and Safety Requirements**

1. The FMU will conduct motor vehicle driving record checks on all new employees and those transferring from other state agencies whenever the employee is authorized to operate a motor vehicle. Driving record checks will be completed in order to ensure employees meet driver requirements specified in statute and administrative rule. On a quarterly basis, after completion of the initial driving record check, all subsequent checks will be conducted randomly on five percent (5%) of all applicable employees. If a driving record check reveals driving violations resulting in an accumulation of conviction points the FMU will forward supporting documentation to the Human Resource Bureau for further review and appropriate action. Vehicle privileges may be removed or suspended for drivers not meeting requirements. All employees authorized to use a state or personal vehicle for Department business must complete and submit the [State-Owned Vehicle Use Agreement](#) form upon new employee orientation or upon employee transfer from another state agency and every three years thereafter. State-owned Vehicle Use Agreement forms submitted at orientation or transfer must be submitted to the FMU for processing.
2. The accumulation of conviction points for driving violations as provided in [61-11-203, MCA](#) may prohibit a person from driving a state or personal vehicle for Department business. Additionally, the Department may restrict persons from driving state vehicles when it is determined from means other than the accumulation of conviction points that the person is an unsafe driver.
3. No person may operate a state vehicle within 8 hours of consuming, or while under the influence of: alcohol, illegal drugs, improperly used prescription drugs, or properly used prescription drugs that affect the person's ability to safely operate the vehicle.

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4. No person may carry or consume an alcoholic beverage in a state vehicle.
5. All persons must use installed seat belts at all times and lock the vehicle when left parked.
6. Smoking is prohibited in all state vehicles in compliance with [50-40-104, MCA, Montana Clean Indoor Act](#).
7. Employees are strongly encouraged not to use handheld or hands-free cellular phones or other electronic communication devices or objects while operating vehicles on state business.

#### **G. Vehicle Accident and Driver Reporting**

1. Employees who have an accident resulting in injury or death of any person or property damage to an apparent extent of \$500 or more, shall immediately give notice of the accident to the local police department, if the accident occurs within a municipality, otherwise to the office of the county sheriff or the nearest highway patrol, per [61-7-108, MCA](#).
2. An employee who is involved in a vehicle accident or becomes aware of damage or vandalism to a state owned or leased vehicle must complete and submit the [Report of Incident](#) form to the FMU within 24 hours and notify the State Motor Pool if driving a leased vehicle.
3. An employee involved in an accident in a state-owned or leased vehicle that results in a claim or a citation will be required to attend a Distractive or Defensive Driving Course and will be subject to a current check of their motor vehicle driving record. The FMU will notify supervisors of employee requirements to attend training.
4. Per [ARM 2.6.205](#), and according to the schedule specified in [61-11-203, MCA](#), employees authorized to operate a motor vehicle accumulating the following conviction points in the past 36 months must report conviction points to their supervisor and comply with the requirements outlined below:
  - a. 5 or more conviction points:
    - 1) if the driving infraction occurs while driving a state vehicle or a personal vehicle for state business, the employee must report points to their supervisor within 10 days of conviction or forfeiture of bond.
  - b. 12 or more conviction points:
    - 1) employee cannot drive a state or personal vehicle for Department business until completion of a certified safe driver course approved by the RMTD and written approval to drive from RMTD and the DOC Director; and
    - 2) employee must report points to their supervisor within 10 days of conviction or forfeiture of bond whether infraction occurred driving a state or personal vehicle for Department business or while driving a motor vehicle for any other purpose.
  - c. 15 or more conviction points:
    - 1) employee must complete training and reporting requirements listed above and cannot drive a state vehicle or personal vehicle for state



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business until the accumulated point total is less than 12 within the past 36 months.

- d. 18 or more conviction points:
  - 1) employee must complete training and reporting requirements listed above and cannot drive a state vehicle or personal vehicle for state business until 2 years have passed during which they cannot accumulate any conviction points.

## **H. Disciplinary Actions**

Immediate Supervisors are responsible for monitoring employee vehicle use and taking appropriate disciplinary action for noted violations. Employees who violate Department vehicle operations policy or state vehicle use rules are subject to disciplinary action up to and including discharge as provided in [2-17-421, MCA](#).

## **I. Offender Use of State Vehicles**

Administrators of divisions, facilities or programs requiring offender use of state vehicles must develop procedures authorizing such use and receive prior written approval of the RMTD as required per [ARM 2.6.204, Authorized Passengers and Uses](#).

## **J. Vehicle Minimum Mileage Requirements**

1. All vehicles owned or leased by the Department must be used a minimum of 10,000 miles per fiscal year to justify acquiring or retaining them. The FMU will keep records to verify compliance with the minimum mileage requirement. A [Low Mileage Vehicle Exemption](#) form must be submitted to the FMU prior to the end of each fiscal year for vehicles not meeting minimum mileage standards using a minimum of 5,000 miles per fiscal year. Vehicles using less than 5,000 miles per fiscal year must also submit to the FMU a [Low Mileage Vehicle Exemption](#) form upon notification and request from the FMU and must include additional justification in written form not to include any of the exemptions listed in (2) below.
2. Low mileage vehicles may be necessary at times and mileage will not be the only factor considered to determine necessity. The DOC Director may exempt vehicles from the minimum mileage requirement if three or more of the following conditions are met:
  - a. vehicle is used daily, i.e. security checks, home visits, USPS parcel pickup/deliveries;
  - b. the facility does not have access to State Motor Pool or agency vehicles;
  - c. liability or safety concerns exist that would render using a personal vehicle inappropriate;
  - d. storage of specialized equipment in the vehicle is required;
  - e. vehicle is necessary for emergency response;
  - f. vehicle is used primarily for travel on non-maintained roads; on facility property for maintenance, construction, or grounds-keeping; or for moving and distributing large items or a large quantity of items;
  - g. vehicle is used to transport offenders; or
  - h. it is not cost-effective to reimburse the high rate to an employee for use of a personal vehicle or employees are not willing to use their personal vehicles for state business.



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3. At the end of each fiscal year the FMU will forward exemption forms to the DOC Director for review. Department owned vehicles the DOC Director finds to be not exempt from the 10,000 mile requirement will be disposed of through the State Surplus Property Program.

#### **K. Vehicle Replacement, Purchases, and Transfers**

1. In accordance with [2-17-416, MCA](#), all new vehicles purchased after January 1, 2008 must meet or exceed the CAFE standard.
2. The DOC Director may exempt certain vehicles from the CAFE standard that meet any one of the following conditions:
  - a. vehicles used primarily in off-road use; or for moving and distributing large items or a large quantity of items;
  - b. vehicles used for maintenance, construction, or grounds keeping;
  - c. vehicles with a manufacturer-stated seating capacity of more than six persons; or
  - d. vehicles using alternative fuels.
3. Department vehicles will be kept, replaced, leased, or purchased based upon a variety of factors including: vehicle condition, operating costs, mileage, budget considerations, and Department needs. Due to fuel and maintenance inefficiencies associated with SUV's (i.e. sport utility vehicles) and large utility vehicles, state agencies are discouraged from these types of vehicles. Therefore, administrators requesting to keep, replace, lease, or purchase an SUV or large utility vehicle (for leased vehicles, a class 04 or class 11 vehicle) must complete and submit a [SUV and Large Vehicle Justification](#) form to the FMU. The FMU will forward the request to the DOC Director who will make the final decision to approve or disapprove the request.
4. On an annual basis, the FMU and MSP/MCE designated fleet staff will send Department-owned vehicle operators a [Vehicle Condition Report](#) to complete and return by the dates listed below. This form will be used to obtain relevant information to evaluate the current condition of each Department owned vehicle.
  - a. MSP Department-owned vehicles – March 1<sup>st</sup>
  - b. MCE Department-owned vehicles – April 1<sup>st</sup>
  - c. Non-MSP/MCE Department-owned vehicles – May 1<sup>st</sup>
5. To determine the impact of a vehicle purchase with regard to the overall fleet mpg and 20 X 10 requirements all requisitions for motor vehicle purchases must be submitted to the Department of Administration through the FMU, regardless of delegated purchasing authority. Vehicles are purchased twice per year in conjunction with the State of Montana "Requisition Time Schedule."

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6. The FMU must be notified prior to any transfer of a Department-owned or leased vehicle from one facility to another or from one party to another.

#### **L. Vehicle Disposal**

1. Vehicles owned by the Department may not be transferred, sold, traded, or otherwise disposed of without written authorization of the Department of Administration, General Services Division, Property and Supply Bureau. All Department vehicles will be disposed of by submitting a written request to the FMU. Vehicles that have no further use to the Department will be surplus through the Property and Supply Bureau.

#### **M. Vehicle Maintenance and Repairs**

1. Vehicle operators must ensure that their Department owned or leased vehicle is clean and mechanically maintained at all times. Vehicles should not be operated with any defect or problem that would prevent safe operation under any condition.
2. The Department utilizes maintenance intervals consistent with manufacturer's recommendations and has management information systems in place to ensure maintenance is completed as required. Preventive maintenance (PM) will be performed according to a scheduled maintenance program which takes into account alternate service intervals depending on driving conditions.
3. All repairs/maintenance/purchases of Department owned vehicles that are not part of a PM schedule or an emergency situation must be pre-approved by submitting a [Department-Owned Vehicle Repair](#) form to the FMU, MSP or MCE fleet staff, as applicable, in accordance with the criteria listed below:
  - a. if estimated cost is over \$300 and not performed by MVM submit form to FMU;
  - b. if estimated cost is over \$1,000 and performed by MVM on an MSP or MCE vehicle, submit form to corresponding fleet staff; and
  - c. if estimated cost is over \$1,000 and performed by MVM on a non-MSP/MCE vehicle, submit form to FMU.
4. If Department owned vehicles break down after normal business hours and immediate vehicle use is necessary, emergency repairs may be made if no other reasonable alternative is available. However, the FMU, MSP, or MCE fleet staff, as applicable, must be notified of the repair costs during the next business day.
5. Warranty repairs must be performed by an authorized dealer. Vehicle owner's manuals will identify items under warranty and length of warranty period. The assigned driver should contact the dealer before scheduling repairs that may be covered under warranty. Vehicle warranty repair information must be submitted to the FMU for entry in the AgileAssets database.

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6. Vehicle maintenance and repairs conducted by MVM must be entered in the AgileAssets data base by the FMU, MSP, or MCE staff licensed to do so on a monthly basis. Vehicle maintenance and repairs not conducted by MVM and not obtained by using a ComData card will be entered to the AgileAssets data base by the FMU.

#### **N. Vehicle Insurance Coverage**

1. Montana State agencies are self-insured for automobile coverage administered through the RMTD. To determine whether a vehicle will be covered by liability or comprehensive/collision coverage the Department will consider the age, use, and retail value of the vehicle.
2. Employees approved to use their personal vehicles for state business must rely on their personal insurance coverage and are responsible for deductibles and co-insurance payments under their own personal vehicle policy.
3. The Department will participate annually in the RMTD Automobile Insurance Premium Discount Program by completing all requirements and documentation required.
4. The Department will ensure that five percent (5%) of its employees complete defensive driving training sponsored or approved by RMTD on an annual basis. Any driver involved in a vehicular accident that resulted in a claim must also participate in the training unless excused by RMTD.

#### **O. Vehicle Fueling Cards**

1. Employees authorized to operate a state vehicle must read the [\*MOM Fuel Card Policy 1-0790.00\*](#) and sign the [\*DOC Fuel Card Use Employee Agreement\*](#) form acknowledging their responsibilities for fuel card use before they receive a Personal Identification Number (PIN).
2. The FMU will sign and track all Fuel Card Use Employee Agreements and oversee fuel card procedures in accordance with [\*Fuel Card Policy 1-0790.00\*](#).
3. A ComData fuel card will be assigned to each vehicle to be used by all drivers when fueling a Department owned vehicle. All Department employees will be assigned a unique PIN (e.g. employee ID) that must be used when fueling vehicles.
4. Vehicles leased through the State Motor Pool will be fueled using a WEX (Wright Express) fuel card. The use of WEX fuel cards require that the driver enter an MDT assigned PIN issued to the specific vehicle they are driving and not a specific PIN issued to the employee.

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5. In compliance with [\*Fuel Card Policy 1-0790.00\*](#) the Department will maintain internal controls on fuel card use which include:
  - a. a limit on the number of transactions during a certain time period (day, month, week);
  - b. a limit on the dollar amount per transaction;
  - c. a limit on merchant category codes; and
  - d. requiring an odometer reading at the point-of-sale (i.e. gas station).
6. Fuel cards assigned to Department owned vehicles may only be used for purchases of petroleum products, new tires, tire and tube repair, automated car washes, maintenance items, and labor for services. Vehicles must be fueled using the least expensive grade from self-service pumps. Fuel card receipts for items other than fuel must be submitted monthly to the FMU with the [\*State-Owned Vehicle Monthly Report\*](#).
7. Employees using WEX fuel cards must follow MDT's General Lease Operator Requirements when fueling vehicles or purchasing other vehicle-related items.
8. Employees driving a leased vehicle must be aware of all applicable MDT rules and procedures governing the use of the vehicle and familiarize themselves with the MDT lease packet.
9. Fuel cards lost, stolen, or assigned to a vehicle that is transferred, sold, or surplus, will be cancelled immediately.

**P. Fuel Transaction Review**

1. The FMU will collect and compare monthly vehicle odometer readings to the vehicle's monthly ComData and Wex fuel transactions to ensure fuel consumption is appropriate for the vehicle and to resolve disputes or any errors on monthly billing statements.
2. All fuel transactions will be reviewed monthly to identify potential inappropriate use of fueling cards. This review will include an examination of various criteria to determine appropriateness of the transaction in comparison to employee work hours and location, duties, and normal expenses. Criteria may include, but is not limited to: the date and time of transaction, number of transactions per vehicle and/or employee, merchant and/or location information, and odometer readings.
3. Transactions will be selected on a random basis for further review, random reviews and any questionable fuel transactions identified per Section P (1&2) above will be forwarded to appropriate supervisors for further review and possible investigation.

**Q. Bulk Fuel Tank Use**

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1. Department will use state term contracts when possible to purchase fuel for Department bulk tanks. In compliance with the [MOM Bulk Fuel Policy 1-0795.00](#), if term contracts are not available for fuel purchasing, the Department will purchase fuel in accordance with [18-4-304](#) and [18-4-305, MCA](#).
2. The Department has established and will maintain physical and internal controls on bulk tank use which include:
  - a. installation of a bulk tank fuel dispensing meter and fuel card device;
  - b. gates or fencing around bulk tanks to limit access;
  - c. reconciling vehicle log books and/or monthly reports against bulk tank transaction logs or ComData monthly transaction statements; and
  - d. comparison of the bulk tank fuel gauge against the monthly transaction log or statement.

#### **R. Vehicle Use Reporting**

1. In accordance with [2-17-422, MCA](#), the Department will maintain operating history records for motor vehicles under control of the Department. These records must show the purchase price of the vehicle and the items of expense incurred in the operation of the vehicle. A complete summary of the operating cost and history record of all state owned vehicles must be prepared for each fiscal year.
2. To maintain adequate records, any specialized equipment purchased for a vehicle must be reported to the FMU, or entered in the AgileAssets data base.

#### **V. CLOSING**

Questions concerning this policy should be directed to the appropriate administrator.

#### **VI. REFERENCES**

- A. [Title 19, MCA](#); and Title 2, Chapter 5, ARM
- B. [2-18-503, MCA](#)
- C. [50-40-104, MCA](#)
- D. [2-17-401](#) through [2-17-432](#) Vehicles, MCA
- E. [Volume 1, Chapter 1-0500](#); Montana Operations Manual
- F. Volume 111, 3-01-1; Montana Operations Manual
- G. [Montana Operations Manual Fuel Card Policy 1-0790.00](#)
- H. [Montana Operations Manual Bulk Fuel Policy 1-0795.00](#)
- I. [18-4-304](#) and [18-4-305, MCA](#)
- J. [2.6.201-214](#); Administrative Rules of Montana, State Vehicle Use
- K. [61-11-203, MCA](#) (Definitions)
- L. [26 CFR, 1.61-21\(f\)\(3\)-Internal Revenue Service Regulation](#)
- M. [61-7-108, MCA](#)

#### **VII. ATTACHMENTS**

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**Related Forms:**

[Department-Owned Vehicle Repair PDF](#)  
[DOC Fuel Card Use Employee Agreement PDF](#)  
[Low Mileage Vehicle Exemption PDF](#)  
[Report of Incident PDF](#)  
[Request for Vehicle Assignment PDF](#)  
[Request to Use Personal Vehicle & Waiver PDF](#)  
[State-Owned Vehicle Monthly Report PDF](#)  
[State-Owned Vehicle Use Agreement PDF](#)  
[State Vehicle Commuting PDF](#)  
[SUV and Large Utility Vehicle Justification PDF](#)  
[Vehicle Condition Report PDF](#)